

Washington, DC— Congressman Joe Sestak (D-PA) expressed his deep disappointment in President Bush's veto of legislation (H.R. 976) to reauthorize and strengthen the State Children's Health Insurance Program (SCHIP), and vows to continue the fight to override the Presidential veto. This legislation, a House-Senate compromise, would have provided health insurance to over 10 million low-income children across America. Congress passed H.R. 976 passed by an overwhelming margin, by a vote of 265-159 in the House. — "I am deeply disappointed with the President's decision to veto the bi-partisan legislation to reauthorize and enhance the SCHIP program," said Congressman Sestak. "We must act now to protect and expand affordable health care insurance coverage for the low-income children across America. I will work with my colleagues in Congress to override the President's veto and continue to fight to ensure that all children will have access to high quality health care coverage."

SCHIP is a national program, established with bipartisan support in 1997, created to address the growing number of children in the United States without health insurance coverage. It currently serves six million children nationally, including 133,000 children in Pennsylvania.

"Two years ago, my daughter was diagnosed with a malignant brain tumor," said Congressman Sestak. "After brain surgery, she began chemotherapy in a cancer ward where her roommate was a two and half year old boy diagnosed with acute leukemia. My wife and I overheard social workers discussing over a period of six hours whether the boy could stay and receive treatment because he didn't have health insurance. I am very fortunate that this nation, through my military health care plan, saved my daughter's life. This was the reason I wanted to serve in Congress -to ensure every child, including that two and a half year old boy, would have that opportunity to live a healthy productive life. I strongly believe in SCHIP and in enhancing the program."

This SCHIP legislation represented a compromise, as this bill will extend eligibility to one million fewer children than the original House legislation (from around 5 million to 4 million). Congressman Sestak promised that he will continue to fight for health insurance coverage for every child in America.

H.R. 976 would increase funding for the program by seven times more than the \$5 billion

increase proposed by President Bush. The additional resources would improve benefits for children by ensuring dental and mental health care coverage. In addition, this legislation would grant states the option of covering pregnant women and increasing SCHIP eligibility to age 21 to match Medicaid's age limit. However, the bill specifically states that individuals who are not legal residents may not receive coverage.

The SCHIP legislation also included provisions to address concerns about the "crowd-out" effect, in which citizens drop their private insurance in favor of SCHIP coverage. Currently, around 70% of children who would be covered under SCHIP are enrolled in private health insurance. This bill would allow states to offer "premium assistance subsidies," using SCHIP and Medicaid funds to subsidize enrollment in private health plans, to prevent this effect. The bill would also provide \$100 million for SCHIP outreach and enrollment. The majority of these funds would be directed towards rural areas with high rates of children who are not enrolled but are eligible for the program, as well as areas with minority populations facing health disparities and linguistic barriers to enrollment.

Born and raised in Delaware County, former 3-star Admiral Joe Sestak served in the Navy for 31 years and now serves as the Representative from the 7th District of Pennsylvania. He led a series of operational commands at sea, including Commander of an aircraft carrier battle group of 30 U.S. and allied ships with over 15,000 sailors and 100 aircraft that conducted operations in Afghanistan and Iraq. After 9/11, Joe was the first Director of "Deep Blue," the Navy's anti-terrorism unit that established strategic and operations policies for the "Global War on Terrorism." He served as President Clinton's Director for Defense Policy at the National Security Council in the White House, and holds a Ph.D. in Political Economy and Government from Harvard University. According to the office of the House Historian, Joe is the highest-ranking former military officer ever elected to the U.S. Congress.